

**U.S. Department of Labor**

Assistant Secretary for  
Employment and Training  
Washington, D.C. 20210



**JUN 30 2005**

The Honorable Bob Riley  
Governor of Alabama  
State Capitol  
600 Dexter Avenue  
Montgomery, Alabama 36130-2751

Dear Governor Riley:

It is with pleasure that I respond to the State of Alabama's request for an extension of Workforce Investment Act (WIA) waivers. This action is taken under the Secretary's authority to waive certain requirements of WIA Title I, subtitles B and E and Sections 8-10 of the Wagner-Peyser Act.

The State of Alabama is requesting an extension of the following approved waivers that expire June 30, 2005:

1. Waiver of the time limit on the period of initial eligibility of training providers at 20 CFR 663.530;
2. Waiver of the 20 percent funds transfer limitation at WIA Section 133(b)(4) to permit the state to approve local area requests to transfer amounts of up to 100 percent of local area allocations between the Adult and Dislocated Worker programs;
3. Waiver to permit local areas to use up to 10 percent of local area formula allocation funds to provide statewide employment and training activities; and
4. Waiver of the state workforce investment board membership requirements at WIA Section 111(b) to permit reconfiguration of the state board as outlined in the state's request.

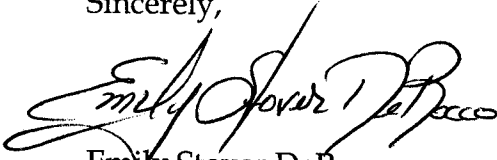
The State of Alabama's request (copy enclosed) indicates that the need for the flexibility provided by these waivers is ongoing. An extension of the waiver related to initial eligibility is needed to continue development of reporting mechanisms to facilitate procurement of WIA service provider performance information. WIA Adult and Dislocated Worker program management flexibility remains a high priority for the state. An expanded funds transfer authority directly supports achievement of such flexibility. The request also indicates that the state views the third and fourth waivers as important tools for engaging employers.

The waiver extension request is written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c) and appears to meet the standard for approval at 20 CFR 661.420(e). Accordingly, the State of Alabama is granted an extension of the four waivers through June 30, 2007.

The granted waiver extensions are incorporated by reference into the state's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and also constitute a modification of the state's approved five-year strategic plan. As these waiver extensions are approved for Program Years 2005 and 2006, please incorporate them in your strategic plan for those years. A copy of this letter should be filed with the state's WIA Grant Agreement and the state's approved five-year strategic plan, as appropriate.

We look forward to continuing our partnership with you and achieving better workforce investment outcomes. We are prepared to entertain other state and local-level waiver requests that you may wish to submit, consistent with the provisions of the WIA statute and regulations.

Sincerely,



Emily Stover DeRocco

Enclosure